TOWN OF WESTON OPEB PLAN

ACTUARIAL VALUATION REPORT

JULY 1, 2019

hooker & holcombe

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Report Prepared By:

Evan W. Woollacott, Jr.
Vice President & Consulting Actuary
860.856.2118
ewoollacott@hhconsultants.com

Robert P. Lessard
Team Leader, Actuarial Specialist
860.856.2106
rlessard@hhconsultants.com

Alex Pokorski
Actuarial Associate
860.856.2066
apokorski@hhconsultants.com

Executive Summary

	July 1, 2019	July 1, 2017
Number of members		
Active members	412	476
Retired members and dependents	49	65
Total	461	541
Covered employee payroll	34,749,000	33,693,000
Average plan salary	84,342	70,784
Actuarial present value of future benefits	11,801,000	12,449,000
Actuarial accrued liability	9,543,000	10,413,000
Plan assets		
Market value of assets	9,404,000	8,143,000
Actuarial value of assets	9,404,000	8,143,000
Unfunded accrued liability	139,000	2,270,000
Funded ratio	98.5%	78.2%
Actuarially determined employer contribution (ADEC)		
Fiscal year ending	2021	2019
ADEC	259,000	545,000
Fiscal year ending	2022	2020
ADEC	270,000	551,000

Valuation Results and Highlights

Purpose of the Valuation

The purpose of the valuation is to develop the Actuarially Determined Employer Contribution (ADEC).

The ultimate cost of an OPEB plan is based primarily on the level of benefits promised by the plan. The OPEB fund's investment earnings serve to reduce the cost of plan benefits and expenses. Thus,

Ultimate cost = Benefits Paid + Expenses Incurred – Investment Return – Employee Contributions

The actuarial cost method distributes this ultimate cost over the working lifetime of current plan participants. By means of this budgeting process, costs are allocated to both past and future years, and a cost is assigned to the current year. The current year's allocated cost, or normal cost, is the building block upon which the actuarially determined employer contribution is developed. The July 1, 2019 valuation produces the contributions for the fiscal years ending 2021 and 2022.

Information Available in the Valuation Report

The Executive Summary is intended to emphasize the notable results of the valuation from the perspective of the Plan Sponsor. Supporting technical detail is documented in Results of the Valuation, Supporting Exhibits and Description of Actuarial Methods and Assumptions. A concise summary of the principal provisions of the Plan is outlined in Summary of Plan Provisions.

Changes Reflected in the Valuation

There were plan changes for all the groups except the certified employees. In fact, the plan changes for the Fire participants basically eliminated all their liability. The Valuation also reflects several assumption changes that are noted in the report. If the assumptions and plan were not changed, the accrued liability would have been $8,083,000. The largest portion of the increase in the accrued liability from $8,083,000 to $9,543,000 was due to lowering the discount rate from 6.5% to 5.5%.

Cash Contribution for Fiscal Years Ending 2021 and 2022

The Town cost is:	2021 Fiscal Year	2022 Fiscal Year
BOE Certified	$90,000	$93,000
BOE Non-Certified	35,000	37,000
Town	134,000	140,000
Total	$259,000	$270,000

Liability Changes During Period Under Review

We saw a significant gain due to better than expected census experience, but most of all due to lower insurance rates, especially for the Certified population which transitioned to the State Sponsored Plan. The favorable census experience resulted in about a 5% gain, while the favorable rate experience resulted in about a 19% gain. We saw other smaller gains in the CPI update and repeal of the Cadillac Tax. The largest losses resulted from the Discount Rate update to 5.50% and the update to the Mortality Tables for the Pub-2010 Public Retirement Plan tables. The Discount Rate update led to about an 11% loss, while the Mortality update led to approximately a 4% loss. Other notable losses came from the Town Plan Changes and the update Medical Trend, which resulted in approximately losses of 2% each.

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Asset Experience During Period Under Review

The plan's assets provided the following rates of return during the past two fiscal years:

	2018 Fiscal Year	2019 Fiscal Year
Market Value Basis	7.4%	7.1%

The Market Value of assets is used to determine plan contributions.

Certification

This report presents the results of the July 1, 2019 Actuarial Valuation for Town of Weston OPEB Plan (the Plan) for the purpose of estimating the funded status of the Plan and determining the Actuarially Determined Employer Contribution (ADEC) for the fiscal years ending June 30, 2021 and June 30, 2022. This report is intended to satisfy the requirements of Connecticut General Statute 7-450a. This report may not be appropriate for any other purpose.

The valuation has been performed in accordance with generally accepted actuarial principles and practices. It is intended to comply with all applicable Actuarial Standards of Practice.

I certify that the actuarial assumptions and methods that were selected by me and represent my best estimate of anticipated actuarial experience under the Plan.

In preparing this valuation, I have relied on employee data provided by the Plan Sponsor, and on asset and contribution information provided by the Trustee. I have audited neither the employee data nor the financial information, although I have reviewed them for reasonableness.

The results in this valuation report are based on the Plan as summarized in the *Summary of Plan Provisions* section of this report and the actuarial assumptions and methods detailed in the *Description of Actuarial Methods and Assumptions* section of this report.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of this report, an analysis of the potential range of such future measurements has not been performed.

I have no relationship with the employer or the Plan that would impair, or appear to impair, my objectivity in performing the work presented in this report. I am a member of the American Academy of Actuaries and meet its Qualification Standards to render the actuarial opinion contained herein.

Evan W. Woollacott

Evan W. Woollacott, Jr., FCA, MAAA
Enrolled Actuary 20-04513

July 7, 2020

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Development of Unfunded Accrued Liability and Funded Ratio

	July 1, 2019	July 1, 2017
Actuarial accrued liability for active members		
Members under age 65	$2,383,776	$2,370,350
Members over age 65	945,217	590,032
Dependents under age 65	390,039	351,332
Dependents over age 65	4,892	23,223
Total	3,723,924	3,334,937
Actuarial accrued liability for inactive members		
Members under age 65	407,674	717,972
Members over age 65	3,819,197	4,027,558
Dependents under age 65	323,193	631,250
Dependents over age 65	1,268,734	1,700,937
Total	5,818,798	7,077,717
Total actuarial accrued liability	9,542,722	10,412,654
Actuarial value of assets	9,404,000	8,143,000
Unfunded accrued liability	138,722	2,269,654
Funded ratio	98.5%	78.2%

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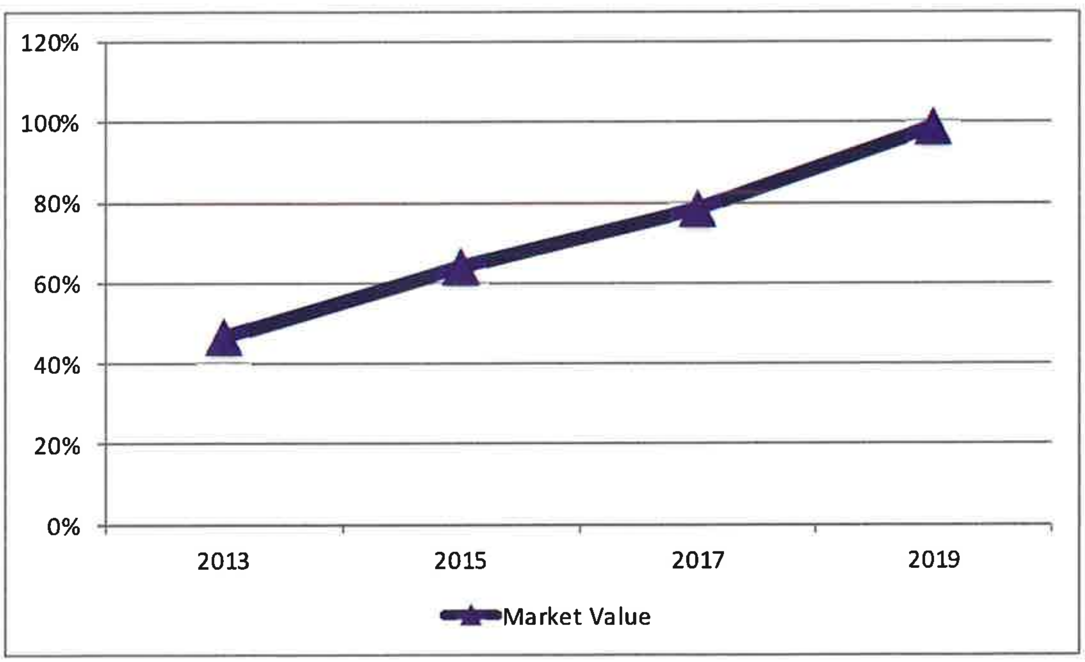
Actuarial Accrued Liability vs. Market Value of Assets

Funded Ratio



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Development of Unfunded Accrued Liability and Funded Ratio by Group

	BOE Certified	BOE Non-Certified	Town	Total
Actuarial accrued liability for active members				
Members under age 65	$1,286,115	$367,924	$729,737	$2,383,776
Members over age 65	520,137	0	425,080	945,217
Dependents under age 65	0	0	390,039	390,039
Dependents over age 65	0	0	4,892	4,892
Total	1,806,252	367,924	1,549,748	3,723,924
Actuarial accrued liability for inactive members				
Members under age 65	135,831	133,956	137,887	407,674
Members over age 65	3,452,714	0	366,483	3,819,197
Dependents under age 65	198,655	76,302	48,236	323,193
Dependents over age 65	1,265,629	0	3,105	1,268,734
Total	5,052,829	210,258	555,711	5,818,798
Total actuarial accrued liability	6,859,081	578,182	2,105,459	9,542,722
Actuarial value of assets	6,759,371	569,777	2,074,852	9,404,000
Unfunded accrued liability	99,710	8,405	30,607	138,722
Funded ratio	98.5%	98.5%	98.5%	98.5%

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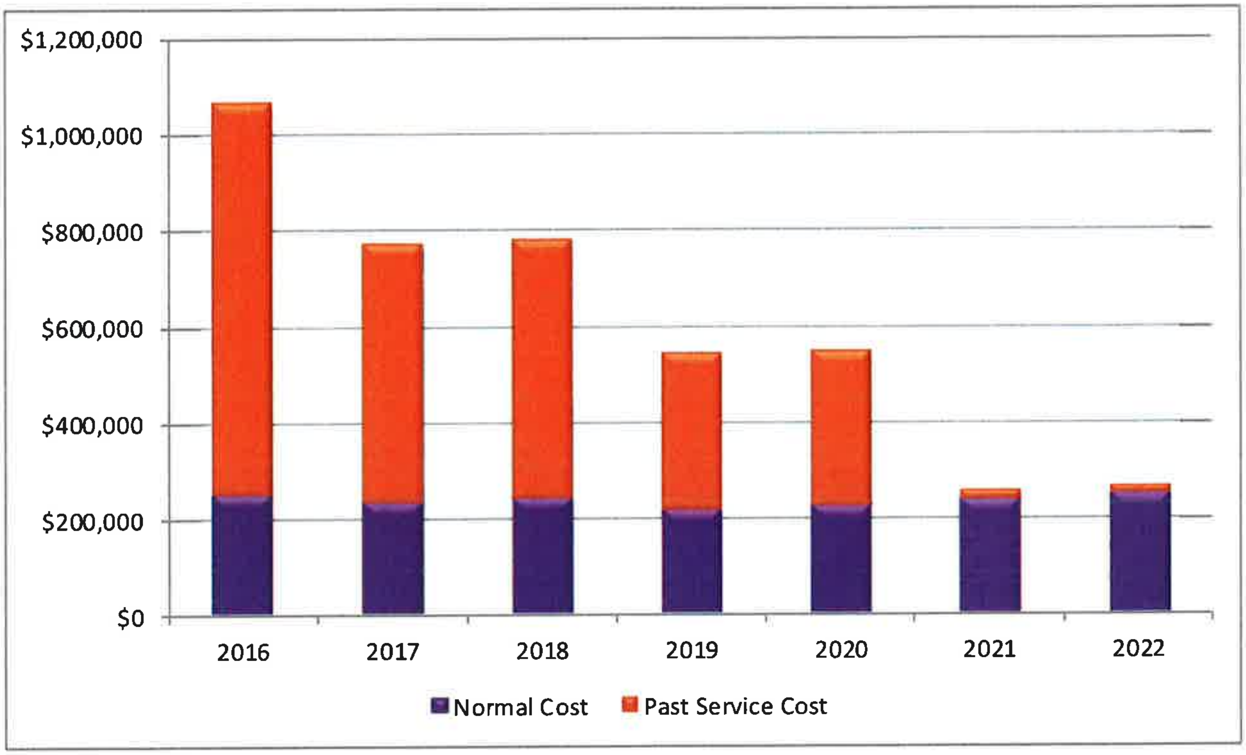
Determination of Normal Cost and Actuarially Determined Employer Contribution

	July 1, 2019		July 1, 2017	
	Cost	Percent of payroll	Cost	Percent of payroll
Town's normal cost	$224,205	0.7%	$205,564	0.6%
Amortization of unfunded accrued liability	17,479	0.0%	316,000	1.0%
Contribution before adjustment as of the valuation date	241,684	0.7%	521,564	1.6%
Contribution rounded to nearest $1,000	242,000		522,000	
Estimated valuation year payroll for actives not yet at 100% assumed retirement age	34,420,627		33,467,000	
Fiscal year ending	2021		2019	
Adjustment for interest and inflation	17,000		23,000	
Actuarially determined employer contribution	259,000		545,000	
Expected benefit payments	607,000		835,000	
Fiscal year ending	2022		2020	
Adjustment for interest and inflation	11,000		6,000	
Actuarially determined employer contribution	270,000		551,000	
Expected benefit payments	616,000		738,000	

Actuarially Determined Employer Contribution



Actuarially Determined Employer Contribution per Group

	BOE Certified	BOE Non-Certified	Town	Total
Town's normal cost	$71,549	$31,769	$120,887	$224,205
Actuarial accrued liability	6,859,359	578,182	2,105,459	9,543,000
Actuarial value of assets	6,759,448	569,760	2,074,792	9,404,000
Unfunded accrued liability	99,911	8,422	30,667	139,000
Amortization of unfunded accrued liability	12,564	1,059	3,856	17,479
Contribution before adjustment as of the valuation date	84,113	32,828	124,743	241,684
Contribution rounded to nearest $1,000	84,000	33,000	125,000	242,000
Estimated valuation year payroll for actives not yet at 100% assumed retirement age	22,415,408	6,925,348	5,079,871	34,420,627
Town's normal cost as a percentage of payroll	0.3%	0.5%	2.4%	0.7%
Contribution as a percentage of payroll	0.4%	0.5%	2.5%	0.7%
Fiscal year ending June 30, 2021				
Adjustment for interest and inflation	6,000	2,000	9,000	17,000
Actuarially determined employer contribution	90,000	35,000	134,000	259,000
Expected benefit payments	433,000	73,000	101,000	607,000
Fiscal year ending June 30, 2022				
Adjustment for interest and inflation	3,000	2,000	6,000	11,000
Actuarially determined employer contribution	93,000	37,000	140,000	270,000
Expected benefit payments	409,000	86,000	121,000	616,000

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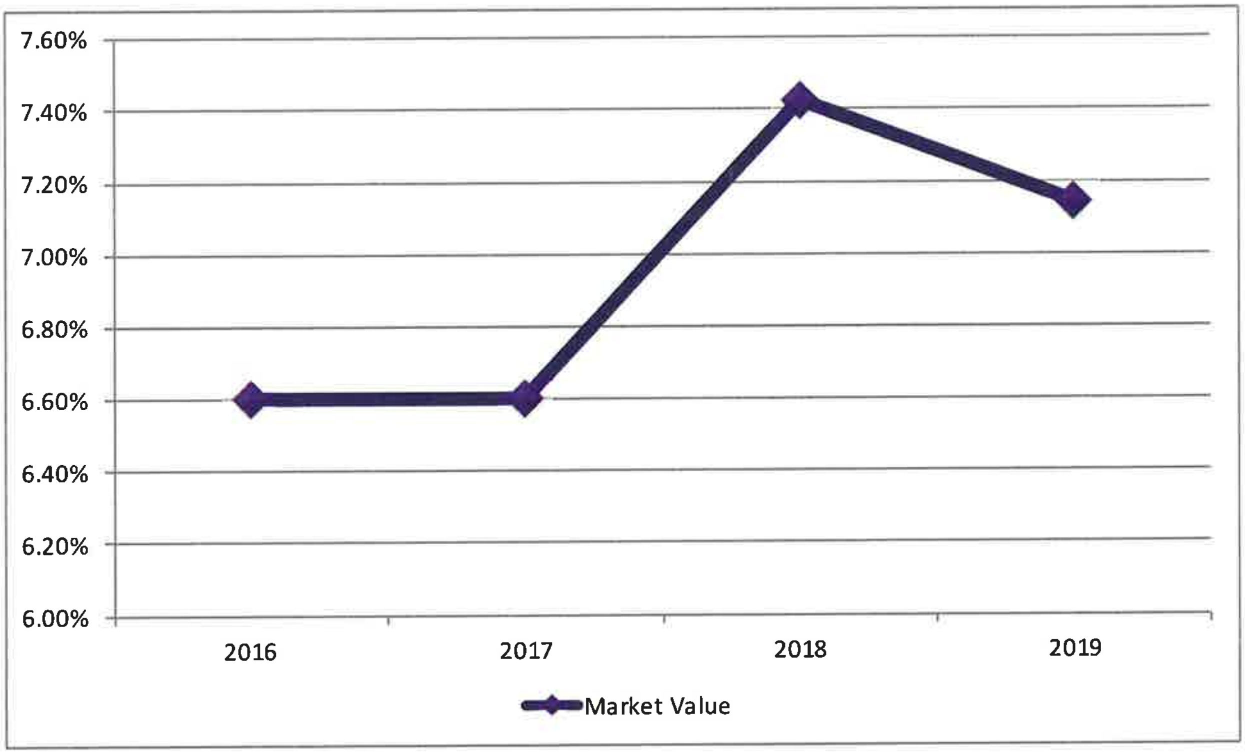
Development of Asset Values

Summary of Fund Activity		
	July 1, 2017 - June 30, 2018	July 1, 2018 - June 30, 2019
1. Beginning market value of assets		
Trust assets	$8,142,646	$8,742,445
2. Contributions		
Town contributions during year	0	10,000
Employee contributions during year	0	25,138
Total for plan year	0	35,138
3. Disbursements		
Benefit payments during year	0	0
Administrative expenses during year	5,080	0
Total for plan year	5,080	0
4. Net investment return		
Interest and dividends	177,303	216,532
Realized and unrealized gain / (loss)	427,576	409,507
Investment-related expenses	0	0
Total for plan year	604,879	626,039
5. Ending market value of assets		
Trust assets: (1) + (2) - (3) + (4)	8,742,445	9,403,622
6. Approximate rate of return	7.4%	7.1%

Actual Rate of Return on Assets



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Target Allocation and Expected Rate of Return
July 1, 2019

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*	Weighting
Short Duration	20.00%	0.10%	0.02%
Core Fixed Income	25.00%	1.20%	0.30%
U.S. Large Cap	26.50%	4.50%	1.19%
U.S. Small Cap	8.50%	4.90%	0.42%
International Developed	12.00%	5.20%	0.62%
Emerging Markets	3.00%	6.00%	0.18%
REITs	5.00%	3.70%	0.19%
	100.00%		2.92%
Long-Term Inflation Expectation			2.65%
Long-Term Expected Nominal Return			5.57%

**Long-Term Real Returns are provided by Fiduciary Investment Advisors, LLC. The returns are geometric means.*

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return are developed. Best estimates of the real rates of return for each major asset class are included in the OPEB plan's target asset allocation.

The information above is based on geometric means and does not reflect additional returns through investment selection, asset allocation and rebalancing. The results support a rate between 5.00% and 6.00%. An expected rate of return of 5.50% was used.

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Amortization of Unfunded Liability

Schedule of Amortization Bases				
	Date established	Amortization installment	Years remaining	Present value of remaining installments as of July 1, 2019
2019 base	July 1, 2019	17,479	10	139,000

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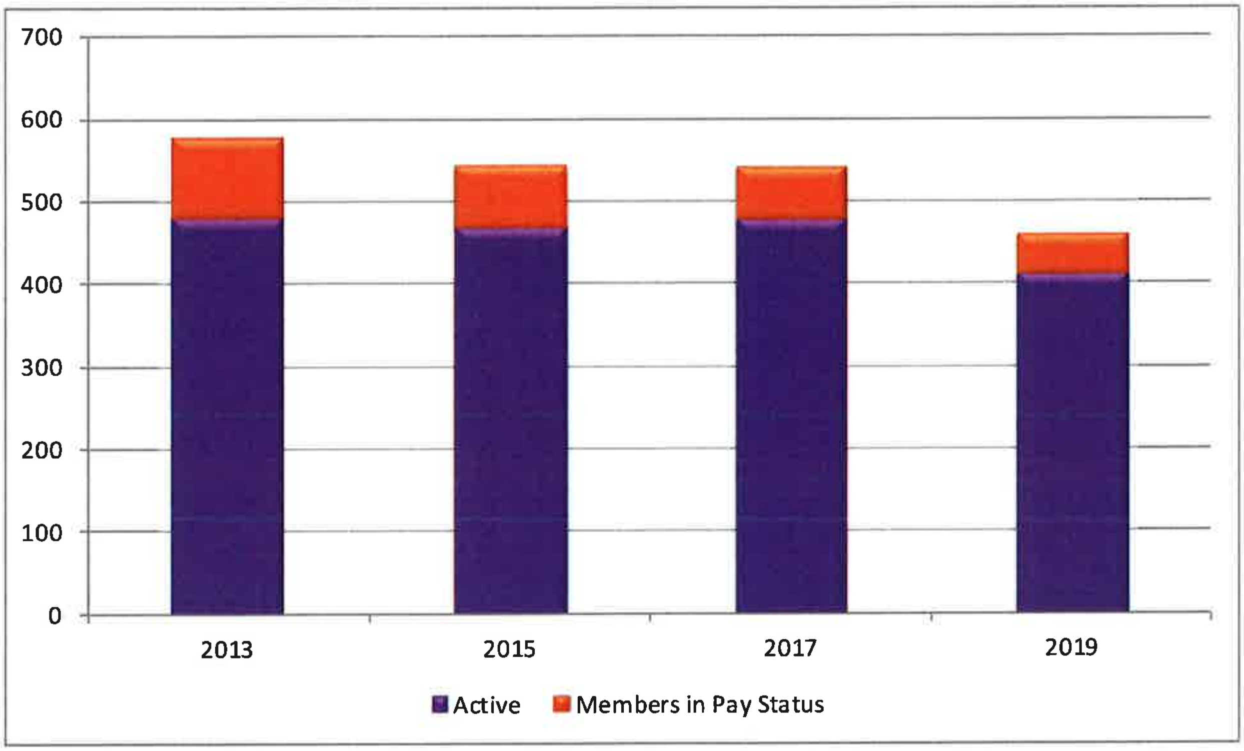
Member Data

The data reported by the Plan Sponsor for this valuation includes 412 active employees who met the Plan's minimum age and service requirements as of July 1, 2019.

	BOE Certified	BOE Non-Certified	Town	Total
Total members July 1, 2019				
Active members	220	123	69	412
Retirees	20	2	17	39
Dependents of current retirees	7	2	1	10
Total	247	127	87	461
Average age July 1, 2019				
Active members	45.1	51.6	51.5	48.1
Retirees	72.0	59.8	74.9	72.7
Dependents of current retirees	67.1	61.9	60.6	65.4

Member Counts by Status



Expected Benefit Payments from Trust Fund

An important consideration in formulating short-term or intermediate-term investment policy is the need for liquidity to meet the payment requirements of the Plan. The Plan's investment advisors may wish to compare expected benefit payments and expenses with anticipated cash income from investments and employer contributions.

The table below presents projected annual benefit payments for the next twenty plan years. The following assumptions are reflected in this table:

- Retirements among active participants will occur consistent with the Plan's retirement assumption.
- Benefits will continue to accrue according to the provisions of the Plan.

Differences between actual experience and that assumed will affect the pattern of benefit payments.

Participant categories reflect status as of July 1, 2019.

Year	Active as of July 1, 2019	Retired and Terminated as of July 1, 2019	Total Benefit Payments
2019	$22,000	$542,000	$564,000
2020	60,000	546,000	606,000
2021	93,000	523,000	616,000
2022	129,000	399,000	528,000
2023	166,000	399,000	565,000
2024	191,000	404,000	595,000
2025	227,000	392,000	619,000
2026	247,000	400,000	647,000
2027	313,000	383,000	696,000
2028	334,000	368,000	702,000
2029	394,000	369,000	763,000
2030	414,000	368,000	782,000
2031	414,000	366,000	780,000
2032	471,000	362,000	833,000
2033	509,000	357,000	866,000
2034	508,000	351,000	859,000
2035	556,000	343,000	899,000
2036	633,000	333,000	966,000
2037	709,000	322,000	1,031,000
2038	653,000	310,000	963,000

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Expected Per Capita Claims (without Medicare Integration)

Certified BOE

Sample Age	Expected Claim (Male)	Expected Claim (Female)
45	$7,451	$10,386
50	9,731	12,101
55	12,769	14,098
60	16,449	16,443
65	20,944	19,930
70	25,194	23,311
75	28,912	26,167

Non-Certified BOE

Sample Age	Expected Claim (Male)	Expected Claim (Female)
45	$7,451	$10,386
50	9,731	12,101
55	12,769	14,098
60	16,449	16,443
64	20,088	19,249

Town and Police

Sample Age	Expected Claim (Male)	Expected Claim (Female)
45	$7,124	$9,930
50	9,304	11,570
55	12,208	13,479
60	15,727	15,721
64	19,206	18,404

Description of Actuarial Methods

Asset Valuation Method

Plan Assets equal the Market Value of assets.

Actuarial Cost Method

Changes in Actuarial Cost Method: None.

Description of Current Actuarial Cost Method: Entry Age Normal (level percentage of salary)

Normal Cost: Under this method, the total normal cost is the sum of amounts necessary to fund each active member's normal retirement benefit if paid annually from entry age to assumed retirement age. Entry age is the age at which the employee would have been first eligible for the plan, if it had always been in effect. The normal cost for each participant is expected to remain a level percentage of the employee's salary. The normal cost for the plan is the difference between the total normal cost for the year and the anticipated member contributions for that year.

Past Service Liability: The present value of future benefits that relates to service before the valuation date is the total past service liability. The unfunded past service liability is the difference between the total past service liability and any assets (including accumulated member contributions. This amount is amortized over 10 years on an open basis.

Experience Gains and Losses: All experience gains and losses (the financial effect of the difference between the actual experience during the prior period and the result expected by the actuarial assumptions for that prior period) appear directly in the past service liability and are amortized at the same rate the plan is amortizing the remaining unfunded past service liability.

Description of Actuarial Assumptions

Changes in Actuarial Assumptions as of July 1, 2019

The valuation reflects changes in the actuarial assumptions listed below. (The assumptions used before and after these changes are more fully described in the next section.)

- Interest
- Mortality
- Inflation
- Payroll growth
- Healthcare cost trend rates

The assumptions indicated were changed to represent the Enrolled Actuary's current best estimate of anticipated experience of the plan.

Interest

5.50%. (Prior: 6.50%)

Since the OPEB plan's fiduciary net position and future contributions are projected to be sufficient to cover expected benefit payments for current plan members, the long-term expected rate of return on OPEB plan investments was used to discount liabilities.

Inflation

2.60%. (Prior: 2.75%)

This assumption is based on long term historical inflation numbers. While near term averages have been lower, we do not believe this trend will continue indefinitely and expect that there will be a reversion to the long-term average.

Mortality

Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety and Teachers), projected to the valuation date with Scale MP-2019.

Prior: RP-2014 Adjusted to 2006 Total Dataset Mortality Table, projected to the valuation date with Scale MP-2017.

Mortality improvement

Projected to date of decrement using Scale MP-2019 (generational mortality).

Prior: Projected to date of decrement using Scale MP-2017 (generational mortality).

We have selected this mortality assumption because it is the latest published pension mortality study released by the Society of Actuaries.

The mortality assumption was updated to better reflect expected experience.

Retirement

Town and Non-Certified BOE: 10% at age 55 with 10 years of service, 15% at any age with 25 years of service. At other ages, based on the table below (shown at sample ages):

Age	Rate of Retirement
<50	1%
50-54	2%
55-59	4%
60-61	7%
62-64	15%
65-67	20%
68-69	25%
70	100%

Police: 15% at age 55 with 10 years of service, 40% at any age with 25 years of service. At other ages, based on the table below (shown at sample ages):

Age	Rate of Retirement
45-49	16%
50	14%
51-58	12%
59	16%
60-62	20%
63-64	25%
65	100%

Certified BOE: For teachers hired after June 30, 1991 and Administrators: Per table below (from Connecticut State TRS 2016 Pension Valuation):

	Eligible for Normal (Unreduced) Retirement (Age 60 and 20 Yrs. Serv. or 35 yrs. Serv.)		Eligible for Early (Reduced) Retirement (Age 55 and 20 Yrs. Serv. or 25 yrs. Serv.)	
Age	**Male**	**Female**	**Male**	**Female**
50	27.5%	27.5%	1.00%	1.00
51	27.5	27.5	1.00	1.25
52	27.5	27.5	1.00	1.75
53	27.5	27.5	2.00	2.25
54	27.5	27.5	3.00	2.75
55	38.5	27.5	4.00	4.75
56	38.5	27.5	6.00	6.25
57	38.5	27.5	7.00	6.75
58	38.5	27.5	8.00	7.25
59	38.5	27.5	11.00	8.50
60	22.0	27.5		
61-62	25.3	27.5		
63-64	27.5	27.5		
65	36.3	32.5		
66-69	27.5	32.5		
70-79	100.0	32.5		
80	100.0	100.0		

Retirement (cont.)

For teachers hired before July 1, 1991: Per table below (from Connecticut State TRS 2016 Pension Valuation):

	Eligible for Normal (Unreduced) Retirement (Age 60 and 20 Yrs. Serv. or 35 yrs. Serv.)		Eligible for Early (Reduced) Retirement (Age 55 and 20 Yrs. Serv. or 25 yrs. Serv.)	
Age	**Male**	**Female**	**Male**	**Female**
50	27.5%	27.5%	1.00%	1.00
51	27.5	27.5	1.00	1.25
52	27.5	27.5	1.00	1.75
53	27.5	27.5	2.00	2.25
54	27.5	27.5	3.00	2.75
55	38.5	27.5	4.00	4.75
56	38.5	27.5	6.00	6.25
57	38.5	27.5	7.00	6.75
58	38.5	27.5	8.00	7.25
59	38.5	27.5	11.00	8.50
60	22.0	27.5		
61-62	25.3	27.5		
63-64	27.5	27.5		
65	36.3	32.5		
66-69	27.5	32.5		
70-79	100.0	32.5		
80	100.0	100.0		

The actuarial assumption in regards to rates of retirement shown above are based on the rates used by the Connecticut State Teachers' Retirement System actuaries.

Termination prior to retirement

Town and Non-Certified BOE: Annual rates of withdrawal per table below (shown at sample ages):

Age	Male	Female
20	18.0%	20.0%
30	12.0%	15.0%
40	7.5%	10.0%
50	5.0%	5.0%
60	5.0%	5.0%

Police and Fire: None

The actuarial assumption in regards to rates of withdrawal shown above are based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor.

Termination prior to retirement (cont.)

Certified BOE: Service-Based Withdrawal Rates (until eligible to retire) (from Connecticut State TRS 2016 OPEB Valuation)

Age	Male Rate	Female Rate
0-1	14.00%	12.00%
1-2	11.00	10.50
2-3	8.00	8.75
3-4	6.50	7.50
4-5	4.50	6.75
5-6	4.50	6.00
6-7	3.00	5.25
7-8	2.75	4.75
8-9	2.50	4.25
9-10	2.50	4.00
10 +	use age-related rates until eligible to retire	

Sample Age-Based Withdrawal Rates (until eligible to retire) (from Connecticut State TRS 2016 OPEB Valuation)

Age	Male Rate	Female Rate
25-37	1.50%	4.00%
40	1.50	2.30
45	1.59	1.50
50	2.04	2.00
55	3.44	2.50
59+	4.00	2.90

The actuarial assumption in regards to rates of withdrawal shown above are based on the rates used by the Connecticut State Teachers' Retirement System actuaries.

Disability

Town, Non-Certified BOE, and Certified BOE: None.

Police: Annual rates of service-connected disability per table below (shown at sample ages):

Age	Rate of disability
20	.11%
30	.15%
40	.32%
50	1.11%
60	6.88%

The actuarial assumptions in regards to rates of disability shown above are based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor.

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Percent of active employees married

Town and Police: 70% of males and 70% of females assumed married with wives assumed to be three years younger than their husbands.

Certified BOE and Non-Certified BOE: 55% of males and 55% of females assumed married with wives assumed to be three years younger than their husbands.

Percentage of Actives Eligible at Retirement who continue with Medical Coverage

Town: 80%.

Police: 100%.

Non-Certified BOE and Certified BOE: 85%.

Percentage of pre-July 1, 1986 Teachers Continuing after 65

10%.

The actuarial assumptions in regards to utilization shown above are based on standard assumptions modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor.

Healthcare cost trend rates

6.60% for 2019, decreasing 0.5% per year, to an ultimate rate of 4.60% for 2023 and later for medical.

Prior: 7.75% for 2017, decreasing 0.5% per year, to an ultimate rate of 4.75% for 2023 and later for medical.

Health care trend rates reflect both the current and long-term outlook for increases in health care costs. The short term trend rate is based on recent industry surveys, plan experience and near-term expectations. The long term trend rate is based on our general inflation assumption plus an adjustment to reflect expectations for long-term medical inflation.

The trend rates were changed to align with the inflation assumption change and better reflect actual experience.

Payroll growth

2.60% per year. (Prior: 2.75% per year.)

The assumption was changed to better reflect future expectations.

Expected per Capita claims (without Medicare Coordination)

The sample per capita claim for plans not integrated with Medicare was developed as follows: Using the total count of active participants eligible for post-retirement medical benefits and retirees currently electing medical coverage in a non-Medicare supplement plan, we calculate the total projected claims by multiplying the total count by the average annual premium. Using the cost increases derived from a study sponsored by the Society of Actuaries prepared by Dale H. Yamamoto from May 2013: "Health Care Costs from Birth to Death", we allocate the total projected claims by age and gender.

For plans integrated with Medicare, the post Medicare eligible premium is assumed to be unaffected by age.

The per capita claims method was changed to reflect the most recent study and better reflect actual experience.

Patient Protection and Affordable Care Act (PPACA)

For purposes of this valuation, extended coverage for adult children and 100% coverage of preventive care are assumed to be reflected in per capita costs.

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Cadillac Tax

For purposes of this valuation, extended coverage for adult children and 100% coverage of preventive care are Effective with the July 1, 2019 Valuation, all liability for the Cadillac Health Care tax was removed.

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Summary of Plan Provisions

This exhibit summarizes the major provisions of the Plan. It is not intended to be, nor should it be interpreted as a complete statement of all plan provisions. To the extent that this summary does not accurately reflect the plan provisions, then the results of this valuation may not be accurate.

Plan identification

Single-employer OPEB plan

Police

Eligibility for Medical

Normal Retirement, Early Retirement under CMERF (eligible with age 55 and 15 years of service or 75 points with a minimum of 10 years of service) or Disability Retirement. Benefits are only offered to retirees with a date of hire prior to March 21, 2019.

Retiree/Spouse Cost of Medical Coverage

Pre-65: The Town agrees to pay sixty five percent (65%) of the retiree medical benefits for family coverage; seventy percent (70%) for employee plus one; and eighty percent (80%) for single. Spouse may continue in the plan once the retiree is eligible for Medicare provided the spouse pays 100% of the COBRA rate.

Post-65: The Town pays up to $175 per month for the cost of a Medicare supplement health insurance plan.

Service-Connected Disability

100% Town paid.

Life Insurance Benefit

None.

Town (Highway)

Eligibility for Medical Coverage

Normal Retirement, Early Retirement under CMERF (eligible with age 55 and 15 years of service or any age with 30 years of service). Benefits are only offered to retirees with a date of hire prior to July 1, 2019.

Retiree/Spouse Cost of Medical Coverage

Pre-65: Town contribution for retiree, spouse and dependents is based on age and service at the time of retirement:

- $3,500 for age 55 and 15 years of service
- $5,500 for age 55 and 20 years of service
- $6,000 for age 55 and 25 years of service
- 65% of COBRA rate with 30 or more years of service.

Spouse may continue in the plan once the retiree is eligible for Medicare provided the spouse pays 100% of the COBRA rate.

Post-65: The Town pays up to $235 per month for the cost of a Medicare supplement health insurance plan.

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Life Insurance Benefit

None.

Town (Dispatchers)

Eligibility for Medical Coverage

Normal Retirement, Early Retirement under CMERF (eligible with age 55 and 15 years of service or any age with 30 years of service). Benefits are only offered to retirees with a date of hire prior to May 3, 2019.

Retiree/Spouse Cost of Medical Coverage

Pre-65: Town contribution for retiree, spouse and dependents is based on age and service at the time of retirement:

- $5,000 for age 55 and 20 years of service
- $5,500 for age 55 and 25 years of service
- 65% of COBRA rate with 30 or more years of service.

Spouse may continue in the plan once the retiree is eligible for Medicare provided the spouse pays 100% of the COBRA rate.

Post-65: The Town pays up to $190 per month for the cost of a Medicare supplement health insurance plan.

Life Insurance Benefit

None.

Town Administration

Eligibility for Medical Coverage

Normal Retirement, Early Retirement under CMERF (eligible with 15 years of service).

Retiree/Spouse Cost of Medical Coverage

Post-65: The Town pays up to $175 per month for the cost of a Medicare supplement health insurance plan.

Life Insurance Benefit

None.

Town Hall

Eligibility for Medical Coverage

Normal Retirement, Early Retirement under CMERF (eligible with 15 years of service). Benefits are only offered to retirees with a date of hire prior to July 1, 2019.

Retiree/Spouse Cost of Medical Coverage

Pre-65: Retiree pays 100% of the cost for the retiree, spouse and dependents. Spouse may continue in the plan once the retiree is eligible for Medicare provided the spouse pays 100% of the COBRA rate.

Post-65: The Town pays up to $225 per month for the cost of a Medicare supplement health insurance plan.

Life Insurance Benefit

None.

Teachers and Administrators

Eligibility for Medical and Life Coverage

Earliest of age 55 with 20 years of service, age 60 with 10 years of service, or any age with 25 years of service. Teachers hired prior to June 30, 1991 must have 75 points and age 55 to retire early. Administrators must have at least 10 years of service.

Retiree/Spouse Cost of Medical Coverage

Retirees after July 1, 2012, contribute based on coverage and rates under the HSA Plan. Retirees electing the PPO plan may buy-up and pay the difference.

Teachers: Hired on or before June 30, 1991: Coverage for 6 calendar years following retirement. Retiree pays 25% of the cost (HSA retirees also pay 50% of the deductible). After 6 years, retirees can continue coverage at their own cost.

Hired after June 30, 1991: Retirees pay 100% of the premium.

Administrators: Certified Administrators have access to pre-65 coverage. Future retired Administrators will pay 100% of the premium per removal of Article XI as of July 1, 2008.

Current retired Administrators' have lifetime coverage. Retirees pay based on contract at retirement; varies from 0% to 100%.

Life Insurance Benefit

None for future retirees. Two existing retirees have coverage.

BOE AFSCME Local 1303-110

Eligibility for Medical and Life Coverage

Normal Retirement, Early Retirement (70 points and eligible to receive pension benefits).

Retiree/Spouse Cost of Medical Coverage

Retirees after July 1, 2012, contribute based on coverage and rates under the HSA Plan. Retirees electing the PPO plan may buy-up and pay the difference.

Hired on or before July 1, 2004: Retiree pays 65% of premium for coverage to age 65.

Hired after July 1, 2004: Retiree pays 100% of the premium for coverage to age 65.

Life Insurance Benefit

None.

BOE Central Office

Eligibility for Medical Coverage

Normal Retirement, Early Retirement under CMERF.

Retiree/Spouse Cost of Medical Coverage

Retirees after July 1, 2012, contribute based on coverage and rates under the HSA Plan. Retirees electing the PPO plan may buy-up and pay the difference.

Non-Union Non-Certified: Pre-65: Retiree pays 90% of the cost of pre-65 coverage. There is a grandfathered employee with a special agreement providing medical benefits until age 70 provided they were employed for five years and they pay 25% of the cost.

Certified / TRB Eligible: Retiree pays 100% of the premium for coverage to age 65.

Certified / CMERF: Retiree has no access to coverage.

Life Insurance Benefit

None.

	DR	CR
APPROPRIATIONS—HIGHWAYS AND STREETS—ENGINEERING		$ 814
APPROPRIATIONS—SANITATION		3,848
APPROPRIATIONS—CULTURE AND RECREATION		5,950
APPROPRIATIONS—OTHER FINANCING USES—TRANSFERS OUT		4,760
BUDGETARY FUND BALANCE		149
(To record the annual appropriated budget)		

Property tax levy

The government levies $14,097 of property taxes during the current fiscal year to provide resources for budgetary expenditures. Payment of the taxes is due before the end of the current fiscal year. Prior experience indicates that approximately 0.1 percent of the property tax levy should be classified as uncollectible. As a practical matter, the entire collectible amount is intially recorded in the accounting system as *revenues*. At the end of the current fiscal year, the unavailable portion of these revenues will be reclassified as *deferred revenue* for financial reporting purposes (journal entry 60). Note that total revenues are reported net of uncollectible amounts.

		DR	CR
3.	Taxes receivable—property taxes	$ 14,097	
	Allowance for uncollectible taxes—property taxes		$ 14
	Revenues—property taxes		14,083
	(To record property tax levy)		

Payments in lieu of taxes

In addition to property taxes levied on property owners, the government also assesses the water and sewer fund a payment in lieu of property taxes equivalent to the value of the services that fund receives from the government as a property owner in its own right. The current fiscal year's assessment to the water and sewer fund is $345. The water and sewer fund, in turn, makes a payment of $473 in the current fiscal year, which represents payment in full for the balance due for services provided in the previous fiscal year (i.e., $193) and partial payment of the current fiscal year's assessment (i.e., $280).

		DR	CR
4.	Due from other funds—water and sewer fund	$ 345	
	Revenues—miscellaneous—payments in lieu of taxes		$ 345
	(To record assessments for payments in lieu of taxes from the water and sewer fund)		

		DR	CR
5.	Cash	$ 473	
	Due from other funds—water and sewer fund		$ 473
	(To record receipt of payments in lieu of taxes)		

A state mental health facility is located in the government's taxing jurisdiction. State statutes prohibit the assessment of local property taxes on state institutions. The state, however, does remit to the government annually a payment in lieu of taxes equivalent to the cost of the services that the government provides to the facility. The government bills the state $20 for payments in lieu of taxes in the current fiscal year and is promptly paid.

Property tax collections

The government collects $14,000 of the current fiscal year's property tax levy during the year.

		DR	CR
10.	Cash	$ 14,000	
	Taxes receivable—property taxes		$ 14,000
	(To record collection of current year's property taxes)		

The government also collects $70 of delinquent property taxes and related interest, penalties, and liens receivable. The entire amount of delinquent taxes, interest, penalties, and tax liens remitted had been accrued and deferred previously.

		DR	CR
11.	Cash	$ 70	
	Taxes receivable—property taxes		$ 65
	Interest and penalties receivable—property taxes		3
	Tax liens receivable—property taxes		2
	(To record collection of property-tax related receivables)		

		DR	CR
12.	Deferred revenue—taxes receivable—property taxes	$ 65	
	Deferred revenue—interest and penalties receivable—property taxes	3	
	Deferred revenue—tax liens receivable—property taxes	2	
	Revenues—property taxes		$ 70
	(To recognize revenue from the collection of property taxes, interest, penalties and liens)		

Interest and penalties – property taxes

Interest and penalty charges begin immediately after property taxes are deemed to be delinquent. The penalty and interest rates are established by state statute. The amounts are treated as deferred revenue because they are not considered to be available to liquidate liabilities of the current period. The total amount of deferred revenue for interest and penalties is recorded net of uncollectible amounts.

		DR	CR
13.	Interest and penalties receivable—property taxes	$ 14	
	Allowance for uncollectible interest and penalties—property taxes		$ 2
	Deferred revenue—interest and penalties receivable—property taxes		12
	(To record interest and penalties on delinquent property taxes)		

When delinquent property taxes are not paid within a specified period as established by statute, a lien attaches to the property. The property is then subject to sale for the delinquent taxes. During the year, the government places a lien on property for $10 of uncollected taxes, interest, and penalties. The attachment of the lien requires a reclassification of related receivables, uncollectibles, and deferred revenues.

		DR	CR
14.	Tax liens receivable—property taxes	$ 10	
	Taxes receivable—property taxes		$ 8
	Interest and penalties receivable—property taxes		2
	(To record property tax liens)		

Transfer to internal service fund

The general fund also provides the fleet management internal service fund with a capital contribution of $45 in its start-up period.

		DR	CR
57.	Other financing uses—transfers out—fleet management fund	$ 45	
	Cash		$ 45
	(To record start-up transfer to the fleet management fund)		

Reclassification of current portion of advances

At year end, the government classifies the portion of advances expected to be repaid in the following year. The amount is calculated based on a repayment schedule.

		DR	CR
58.	Due from other funds—management information systems fund	$ 24	
	Due from other funds—fleet management fund	8	
	Advance to other funds—management information systems fund		$ 24
	Advance to other funds—fleet management fund		8
	(To reclassify current portions of long-term loans to other funds)		

Deferral of unavailable property tax revenues

The government, as a matter of convenience, recorded the full amount of collectible property taxes as *revenues* at the time of the levy (journal entry 3). As a practical matter, the government relassifies all amounts still uncollected at year end as *deferred revenue* ($14,083 revenues [journal entry 3] less $14,000 collections [journal entry 10] = $83). A separate journal entry will be made to recognize a portion of this amount as revenue for amounts received during the availability period at the start of the subsequent fiscal year.

		DR	CR
59.	Revenues—property taxes	$ 83	
	Deferred revenue—taxes receivable—property taxes		$ 83
	(To adjust deferred revenue for property taxes receivable not meeting revenue recognition criteria)		

During the 60-day availability period immediately following the end of the current fiscal year, $63 in property taxes are collected by the government. This previously deferred amount is now recognized as revenue.

		DR	CR
60.	Deferred revenue—taxes receivable—property taxes	$ 63	
	Revenues—property taxes		$ 63
	(To recognize revenue for taxes received within 60 days of the year end)		

Appreciation in the fair value of investments

At the end of the current fiscal year, the fair value of the government's investments had increased by $150.

		DR	CR
61.	Investments	$ 150	
	Revenues—investment earnings		$ 150
	(To record increase in the fair value of investments)		

Collecting Delinquent Taxes

We do not place delinquent Real Estate on Suspense.

- At the current time, the Town of Weston is in the process of its second Tax Sale.
- Liens are placed on any property with a balance and the end of the fiscal year and recorded in the Land Records.
- The taxes are required to be paid first in the event of foreclosure or sale as stated by State Statute.
- After each collection month, we send delinquent notices (August and February). We also send notices in April and November as a reminder for all taxes.
- Any returned mail we will research to find another address or any updated addresses and remail.

More specific to motor vehicle tax bills:

- We receive a file from the DMV each year with updated addresses.
- Every delinquent motor vehicle bill is flagged at the DMV and the taxes must be paid before a release to register any vehicle in that person's name is allowed.
- We have used a collection agency to help collect motor vehicle and personal property taxes and are currently in the process of securing a new one at no cost to the Town.

Any tax bill placed on a Suspense List is done so as required by CT State Statute. Collection methods do not change because a bill is on the list. We still use all the same enforcement tools available to collect the taxes.

CASH FLOW PROJECTIONS FY '21

BEGINNING ESTIMATED — **75% of "normal" collection rate**

CASH & EQUIVALENTS 7/1:	**22,000,000**					
	JULY	**AUGUST**	**SEPTEMBER**	**OCTOBER**	**NOVEMBER**	**DECEMBER**
EXPENDITURES						
BOE PAYROLL	950,000	1,900,000	2,725,000			
BOE VENDOR	2,345,000	2,345,000	2,240,000			
TOWN PAYROLL	850,000	510,000	510,000			
TOWN VENDOR	1,200,000	1,350,000	750,000			
DEBT SERVICE	-	5,309,574	-			
PUBLIC SAFETY COMPLEX	500,000	400,000	200,000			
CAPITAL BUDGET	200,000	250,000	200,000			
TOTAL EXP.	6,045,000	12,064,574	6,625,000			
REVENUE						
PROPERTY TAXES @ 75%	18,275,000	8,700,000	4,700,000			
STATE REVENUE	-	-	-			
LOCAL REVENUE	350,000	350,000	325,000			
INVESTMENT INC.	22,000	30,000	27,000			
TOTAL REV.	18,647,000	9,080,000	5,052,000			
MONTH END CASH	**34,602,000**	**31,617,426**	**30,044,426**			

Note: Tax Collections assume that approximately half of non-escrow tax accounts will defer 3 months.
September estimate assumes half of these taxpayers will pay by September 30th.

BEGINNING ESTIMATED — **60% of "normal" collection rate**

CASH & EQUIVALENTS 7/1:	**22,000,000**					
	JULY	**AUGUST**	**SEPTEMBER**	**OCTOBER**	**NOVEMBER**	**DECEMBER**
EXPENDITURES						
BOE PAYROLL	950,000	1,900,000	2,725,000			
BOE VENDOR	2,345,000	2,345,000	2,240,000			
TOWN PAYROLL	850,000	510,000	510,000			
TOWN VENDOR	1,200,000	1,350,000	750,000			
DEBT SERVICE	-	5,309,574	-			
PUBLIC SAFETY COMPLEX	500,000	400,000	200,000			
CAPITAL BUDGET	200,000	250,000	200,000			
TOTAL EXP.	6,045,000	12,064,574	6,625,000			
REVENUE						
PROPERTY TAXES @ 60%	14,650,000	7,000,000	7,200,000			
STATE REVENUE	-	-	-			
LOCAL REVENUE	350,000	350,000	325,000			
INVESTMENT INC.	22,000	30,000	27,000			
TOTAL REV.	15,022,000	7,380,000	7,552,000			
MONTH END CASH	**30,977,000**	**26,292,426**	**27,219,426**			

Note: Tax Collections assume that approximately 80% of non-escrow tax accounts will defer 3 months.
September estimate assumes half of these taxpayers will pay by September 30th.

Tax Collections week of 2019:

Original Levy = 71,784,975

Actuals

	total collected	current levy	% of levy
5-Jul	3,849,552	3,824,099	5.3%
12-Jul	4,800,842	4,770,754	12.0%
19-Jul	3,393,655	3,368,252	16.7%
26-Jul	3,737,226	3,729,525	21.9%
2-Aug	19,901,296	19,873,826	49.5%
	35,682,571	35,566,456	

Original Levy = $71,967,265

Projections	75%	60%		
	2020 projected	2020 projected	2020 actual	% of levy
10-Jul	2,500,000	2,000,000		
17-Jul	4,575,000	3,650,000		
24-Jul	2,600,000	2,100,000		
31-Jul	8,500,000	6,800,000		
7-Aug	8,500,000	6,800,000		
	26,675,000	21,350,000		
% of 2019	75.0%	60.0%		

Delinquent taxes:

July	100000	100000
August	200000	200000
September	200000	200000

Board of Finance Special Meeting Minutes
June 4, 2020 at 6:00pm
Meeting was held remotely due to COVID-19

1- **Pledge of allegiance**

Chairman Ezzes opened the meeting requesting an opinion of each BOF Member

Jeff Farr: Mr. Farr stated he wants to continue to take reductions from town and school operating budget to get to 0% mill rate increase. He expressed reasons such as decrease in home sales and unemployment rates. Mr. Farr would also like to remove 3 Capital Budget items; Onion Barn improvements, Michaels Way Bridge and the purchase of a DPW dump truck.
Amy Gare : Ms. Gare referred to the BOF handbook stating their purpose is to represent citizens in budget making process. She referred to emails and participants that supported the budget as is. She supports the budget as presented.
Greg Murphy Mr. Murphy stated he supports a flat budget, making reductions on both the Town and BOE operating budgets. Mr. Murphy supports a 0% increase in mill rate
Alan Grauberd – Mr. Grauberd stated he wants to get to a 0% mill rate increase, taking capital budget reductions, and supplementing the paving budget. He feels this year we should use the general fund so we could keep the budget where it is, stating this would be a one time to use of the General fund due to COVID 19.
Dick Bochinski – Mr. Bochinski stated it's very important to not have a tax increase this year. He would like to both reduce the Town and BOE operating budgets while also using an offset from fund balance of $353k in order to attain a 0% mill rate increase. Regarding the Capital budget, he supports Michael's Way first payment being postponed, but doesn't want to take anything else out.
Rone Baldwin – Mr. Baldwin supports a flat mill rate given economic challenges and what we are seeing other towns doing. He is not in favor of using money from unassigned fund balance other than the expected surplus from the current year operations. Mr. Baldwin would like to use the surplus, capital deferments and reductions to enable us to reach a 0% increase.
Steve Ezzes – Mr. Ezzes felt we are going to be facing more expenses next year over and above COVID , stating if the trends about home sales are increasing which would bring even more children into the school system. He feels the BOE hasn't taken that into account – he would like to use the savings from the past few months and other reductions to achieve a flat mill rate. Mr. Ezzes is looking for guidance from the Board of Finance as to where to take these reductions.

Conversation continued regarding using General Fund, especially considering unusual circumstances and expenses incurred and future expenses, due to COVID 19

2- **Discussion/decision regarding the proposed Town operating budget for the FY 2020-21**. Mr. Mr. Murphy moved to approve a $13,630,997 Town Operating Budget and $53,841,443 Board of Education Budget, Capital Budget of $1,110,961 by reducing the BOE budget by $320,000, reducing the Public Works budget by $80,000, taking out the Michael's Way Bridge from the Captial Budget and using $353,333 from the General Fund, to get to a 0% increase in the mill rate. Mr. Farr seconded. Motion failed 4:3 with Mr. Ezzes, Ms. Gare, Mr. Baldwin and Mr. Grauberd opposed.

   Mr. Grauberd moved to approve the Town and Board of Education budget as proposed, reducing the Capital budget to $1,020,961, use $664,810 from the General Fund Surplus getting us to a flat mill rate. Overall budget would be $74,506,496. Ms. Gare seconded. Motion passed 4:3 with Mr. Bochinski, Mr. Farr and Mr. Murphy opposed.

3- **Discussion/decision regarding the proposed Debt Service budget for FY 2020-21.** Mr Baldwin made a motion to approve debt service budget of $5,613,095, Mr. Grauberd seconded. Motion passed unanimously.

4- **Discussion/decision regarding setting the mill rate for the Fiscal Year 2020-21.** Mr. Baldwin moved to set the Mill Rate of 32.37 for the FY 2020-21. Mr. Farr seconded. Motion passed unanimously.

5- **Discussion/decision regarding approval of minutes from the May 7th and May 21st special meetings**.
   Mr. Grauberd requested the minutes be amended. Mr. Baldwin requested the minutes be more simplified going forward.

   Ms. Gare moved to approve the minutes from May 7th and May 21st with Mr. Grauberd's amendments. Mr. Grauberd seconded. Motion passed 4:3 with Mr Farr, Mr. Murphy and Mr. Bochinski opposed.

   Mr. Farr moved to postpone the approval of the minutes as currently drafted. Mr. Grauberd seconded. Motion passed 6:1 with Ms. Gare opposed.

6- **Adjourn:** Mr. Bochinski moved to adjourn, Mr. Murphy seconded. Motion passed unanimously.